

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

HB 852 - SB 847

March 10, 2021

SUMMARY OF BILL: Reallocates three percent of the beer barrellage tax from the General Fund to the Department of Agriculture for the purpose of supporting growth in the utilization of Tennessee agricultural products in brewing and in the promotion of the growth of the Tennessee brewing industry.

ESTIMATED FISCAL IMPACT:

**Increase State Revenue - \$340,800/FY21-22 and Subsequent Years/
Department of Agriculture**

Decrease State Revenue - \$340,800/FY21-22 and Subsequent Years/General Fund

**Increase State Expenditures - \$340,800 FY21-22 and Subsequent Years/
Department of Agriculture**

Assumptions:

- In FY19-20 \$11,359,530 was allocated to the General Fund from the beer barrellage tax. This amount is estimated to remain constant into perpetuity.
- Therefore, the recurring increase in state revenue to the Department of Agriculture (DOA) and corresponding recurring decrease in state revenue to the General Fund is \$340,786 (\$11,359,530 x 3%) beginning in FY21-22.
- The DOA will expend all funds for the purposes required by the legislation; therefore, a recurring increase in state expenditures of \$340,786 for the DOA, beginning in FY21-22.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink that reads "Bojan Savic".

Bojan Savic, Interim Executive Director

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